

## REPORT FOLLOW-UP

**AGENCY: COMMISSION ON THE ARTS**

On July 27, 2005, the Legislative Services Office released a Management Report on Internal Control for the Idaho Commission on the Arts for fiscal years 2003 and 2004. The Commission was contacted on October 14, 2005, and this follow-up report addresses how it has responded to the one finding and recommendation contained in that report.

**STATUS OF RECOMMENDATIONS:**

**FINDING #1** – The Commission was not in compliance with federal grant cash management requirements. Cash advances were not expended in accordance with federal cash management requirements of the National Endowment of the Arts (NEA) grant. NEA requires cash advances reflect current expenditures or funds must be disbursed immediately upon receipt. Some of the advanced funds were not spent until six months after the initial drawdown of funds.

**We recommended that the Commission's staff receive additional grant management training and, in the future, comply with all grant restrictions.**

**STATUS – OPEN**

Commission personnel have not received recommended grant management training. They have purchased training CDs but have yet to use them. The Commission continues to make cash draws that are not in compliance with NEA general grant terms and conditions. We again recommend that the Commission's staff receive grant management training. Also, the Commission should request specific written guidance from NEA on its cash management requirements.

Since the status of this recommendation is still open, we will continue to follow-up on the Commission's compliance.